

Happenings around the state....

Liberty School District receives \$24,307 Community Facility Grant



Liberty School District was the recipient of a \$24,307 Community Facility Grant from USDA Rural Development.

A check presentation was held in early June at the school. U.S. Congresswoman Marilyn Musgrave, 4th District, and Rural Development State Director, Mike Bennett presented staff and children from the Joes/Kirk community with the ceremonial check.

Funding will be used to resurface the grounds and to purchase playground and learning equipment for the preschool and daycare center. Included in the purchase will be tables, chairs, and bookcases, for the center. Additional funding is being provided from Great Outdoors Colorado, Conservation Trust Fund, and the school district. The support for this project from the local community has been phenomenal, in fact, the community will furnish the labor for playground equipment installation once purchased.

Groundbreaking Celebration Held for Yuma District Hospital

The Yuma District Hospital broke ground for their new building on May 31st. The new 12-bed critical access replacement hospital will serve Yuma County and the eastern portion of Washington County. The current 22 bed hospital was built in 1949 and renovated in 1996 to include a physician's clinic. Over the last

few years, the hospital has experienced an increase in use and additional space was needed for outpatient services, patient rooms, growth in individual departments, surgical patient preparation and recovery, and building systems updates. Rural Development provided a \$7 million direct loan and a \$17.5 million loan guarantee for the hospital through the Community Facility Program. Pictured are State Director Mike Bennett, Congresswoman Marilyn Musgrave, and Colorado State Representative Cory Gardner.



Tierra Nueva—Alamosa Farm Labor Housing Complex Grand Opening



Grand opening for Tierra Nueva—Alamosa, the newest Farm Labor Housing Family complex in Colorado was held on June 22nd in Alamosa. The 37 unit complex features 3 and 4 bedroom family style apartments. The total project funding for this complex was \$4,175,000; with USDA Rural Development providing \$2 million in grant and \$1 million in loan funding.

Town of Hillrose receives funding for water project

Residents in the town of Hillrose will soon have a new water distribution system thanks to funding provided from USDA Rural Development, the Colorado Department of Local Affairs, and the Colorado Water Resources and Power Development Authority. The project, totaling \$1,510,000, will allow the town to become compliant with EPA National Primary Drinking Water Regulations. The original system was constructed in 1975 and is in adequate regarding water quality, disinfection, storage, distribution, and metering. Funding will be used to purchase water and transmission line capacity from Morgan County Quality Water District. In addition, the town will replace their current distribution system and purchase water meters. Construction for the project is slated to begin in early Fall 2006.



Rural Community Development Initiative Program Grant Funding Available

More than \$6.2 million in grant funds are available through the Rural Community Development Initiative Program (RCDI). The RCDI program provides technical assistance and training funds to qualified intermediary organizations to develop their capacity to undertake housing, community facilities, and community and economic development projects in rural areas.

The RCDI grant funds are available to intermediaries and have a dollar for dollar matching fund requirement, intended to double the impact of the grants. Qualified organizations can be public or private (including tribal organizations) that have been legally organized for at least three years and have experience working with eligible recipients. Recipients of the funds from the intermediary can be non-profit organizations, low-income communities, or federally recognized tribes.

Complete information about the program is available at <http://www.rurdev.usda.gov/rhs/rcdi/>. Information is also available from the Colorado USDA Rural Development state office, (720) 544-2931. Applications must be received by Rural Development within 90 days of the Federal Register publication date. Late applications will not be considered for funding.

New Business & Community Programs Director Named

With great pleasure, USDA Rural Development announced the selection of Dolores Sanchez-Maes as the new Business and Community Programs Director for Colorado. Sanchez-Maes has been with the agency for nearly 28 years. She brings a vast amount of experience with her to the job from both housing and business & community programs.

Sanchez-Maes started her career with the agency as a student hire in the San Luis office. Since that time, she has held several positions within the agency to include being a County Supervisor in Alamosa, a Multi-Family Housing Specialist in the State Office, and most recently a Business and Community Loan Specialist in the State Office.



Rural Development



Guaranteed Lenders Corner

Ample Funding Available

There are still plenty of GRH funds available through the end of the Fiscal Year. Please be sure to send in your reservation requests as soon as possible. All reservations will expire on September 29th, at the latest. No announcement has been made regarding end of year procedures. We will keep you informed as updates are provided.

5-Star Commitment

In October 2002, the Secretary of Agriculture and the Undersecretary of Rural Development announced Rural Development's commitment to minority homeownership in meeting the president's goal of helping 5.5 million minority families attain the dream of homeownership. The goals include increasing participation by minority lenders through outreach, promoting credit counseling and homeownership education, lowering fees to reduce barriers to minority homeownership and monitoring lending activities to ensure a 10 percent increase in minority homeownership. We are asking our lenders to help us in re-committing to these goals and working toward increasing minority homeownership during the remainder of this year and into the future.

Automated Underwriting

The agency will begin testing their new Guaranteed Underwriting System, affectionately known as "GUS", within the next 30 days. The new system will streamline decision making for both lenders and agency staff. It will include a scorecard, similar to the one used by the Federal Housing Administration, to rank applicants based on credit, debt to income ratios and other criteria.

GUS will allow underwriters to enter applications into an online system and get a quick determination of eligibility. The pilot will begin in August with seven states and seven national lenders participating. If all goes well, other states and lenders will be phased into the new system beginning in January 2007.

Home Energy Advantage

In honor of Homeownership Month, the Secretary of Agriculture announced a new program to allow applicants to exceed the standard 29/41 ratios if the property they are planning to purchase was built by codes designed for maximum energy efficiency. Borrower ratios may be increased by 2 percentage points if a new or existing home was built to the 2000 International Energy Conservation Code (IECC) or greater. For new construction loans, the plan certifier must verify that the home is being built to this code. For existing homes, the applicant must obtain a certified copy from the plan reviewer verifying that the home meets the 2000 IECC code or better.

Important Form Change

In June changes were made to Form 1980-21, "Request for Single Family Housing Loan Guarantee" Lenders are no longer required to provide the AD1048 in their application packages. All Requests for Guarantee must be on the new form, dated 6-06. Forms dated prior to this should be disposed of and are no longer acceptable.



Homeownership Month – June 2006

For over 70 years, USDA Rural Development has made providing decent, safe, and affordable housing for individuals/families, elderly and disabled residents, living in rural communities a top priority. President Bush proclaimed June as National Homeownership Month, a time to reflect on the important role homeownership plays in American society, especially in rural America. Homeownership is a bedrock of the American economy, helping to increase jobs, boost demand for goods and services and build prosperity.

During the past year in Colorado, Rural Development has provided nearly \$56 million in housing assistance to help more than 518 families become homeowners. Our housing programs finance new or improved homes for low- to moderate-income families and individuals who choose to live in rural areas or communities. So far In FY 2006, 360 rural families have obtained the American Dream of Homeownership through this type of funding. Throughout the month of June, several celebrations were held around the state celebrating homeownership and the roll it plays in providing security for our children, stabilizing neighborhoods and helping to create stronger communities.



Multi Family Housing (MFH) Update:

Walter Self Senior Housing and Community Center opens in Lyons, CO



Pictured (left to right): One of 12 units at the complex, Mary Summerfield, Multi Family Housing Coordinator, and Frank Alexander, Executive Director, Boulder County Housing Authority (BCHA). Summerfield was given special recognition by BCHA for her dedication and persistence in getting funding which ensured the completion of this elderly complex.

The Walter Self Senior Housing and Community Center had its official grand opening on June 16, 2006. Rural Development provided \$1,050,000 in funding through the 515 Rural Rental Housing Loan program for the 12 unit complex. Additional funding was provided through the Town of Lyons, \$250,000 in waived fees, and Colorado Housing and Finance Authority, \$700,000. The town was also instrumental in being able to provide the land to the Boulder County Housing Authority on a 55 year lease for \$1 per year. Rural Development also will provide rental assistance for all 12 units thereby helping to keep the complex affordable for the tenants.

Management Fee Changes: The National Office has completed their review of state management fees, per HB-2-3560. The review and determination of new fees beginning for 2007 will be by utilizing the Operating Cost Adjustment Factor (OCAF). This is the same method which the Housing and Urban Development (HUD) Department uses for determining rent increases. The new state management fee for 2007 in Colorado is \$45.24 per occupied unit. If you have any questions, please refer to your local Rural Development servicing office.

Payment Processing Update: Effective, July 1, 2006, the Multi-Family Housing payment processing center in St. Louis, has a new toll free number. You may reach the MFH unit at 1-866-600-7984 between the hours of 7:00 a.m. to 5:00 p.m. Central Standard Time.

Security Update: All owners and management companies should have received letters regarding the requirement for all users utilizing the Management Interactive Network Connection (MINC) system to receive a Level 2 Access no later than August 15, 2006. Please contact your Rural Development servicing office for more detailed information.

Colorado USDA Rural Development Office Locations

www.rurdev.usda.gov/co/index.html

Alamosa - 101 S. Craft Drive
Alamosa, CO 81101 (719) 589-5661

Canon City -248 Dozier Avenue
Canon City, CO 81212 (719) 275-4465

Cortez - 628 West 5th Street
Cortez, CO 81321 (970) 565-8416

Greeley- 4302 W. 9th Street Road
Greeley, CO 80634 (970) 356-8097

Craig - 356 Ranney Street, Suite 19
Craig, CO 81625 (970) 824-3476

Las Animas - 760 Bent Ave.
Las Animas, CO, 81054-1730 (719) 456-0120

Delta - 690 Industrial Blvd.
Delta, CO 81416-2812 (970) 874-5735

Wray - P.O. Box 405, 247 Clay Street, Suite #2
Wray, CO 80758 (970) 332-3107

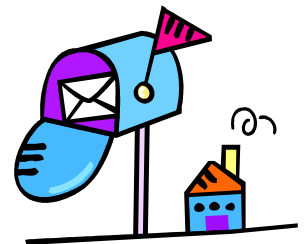
State Office - 655 Parfet Street
Lakewood, CO 80215 (720) 544-2903

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Complaints of discrimination should be sent to USDA, Director, Office of Civil Rights,
1400 Independence Ave, SW, Washington, DC, 20250-9410.*



Committed to the future of rural communities

USDA Rural Development
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Lakewood, CO 80215



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